



Senate

General Assembly

January Session, 2001

File No. 623

Senate Bill No. 181

Senate, May 7, 2001

The Committee on Appropriations reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING RETIREMENT BENEFITS FOR CERTAIN CHIEF EXECUTIVE OFFICERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 (NEW) Not sooner than four years after leaving state office or
2 employment, whichever is later, any person vested in the state
3 employees retirement system who has completed at least six years of
4 consecutive service as a member of the General Assembly may
5 purchase credit, if a member of Tier I or Tier IIA, or receive credit, if a
6 member of Tier II, for each year of service as a paid municipal chief
7 executive officer, as set forth in subsection (a) of section 7-193 of the
8 general statutes. A member of Tier I or Tier IIA shall receive such
9 credit by making contributions to the State Employees Retirement
10 Fund, for each year of such prior municipal service, equal to five per
11 cent of such member's annual municipal salary, plus interest at the rate
12 of five per cent thereon from the date of such municipal service to the
13 date of payment.

APP *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Indeterminate Cost

Affected Agencies: Office of the State Comptroller

Municipal Impact: None

Explanation**State Impact:**

The bill permits certain members of the General Assembly to purchase service credit in the State Employees Retirement System (SERS) for service as a paid municipal chief executive officer. As is the case with all existing purchase provisions, the purchase payment, where required, does not cover the cost of the increased benefit. Any increase in benefits resulting from the purchase provision of the bill will increase the unfunded liability of the SERS in an amount that cannot be determined at this time.

OFA Bill Analysis

SB 181

**AN ACT CONCERNING RETIREMENT BENEFITS FOR CERTAIN
CHIEF EXECUTIVE OFFICERS.****SUMMARY:**

The bill allows any person vested in the State Employees Retirement System (SERS) who has completed at least six years of consecutive service as a member of the General Assembly to purchase or receive service credit in SERS for service as a paid municipal chief executive officer.

Under the bill, members of Tier I or Tier IIA can purchase such credit by making contributions to the State Employees Retirement Fund, for each year of prior qualifying municipal service, equal to 5% of their annual municipal salary, plus interest at the rate of 5% from the date of such municipal service to the date of the payment. Members of Tier II, a non-contributory plan, will receive credit for such municipal service.

EFFECTIVE DATE: October 1, 2001

COMMITTEE ACTION

Appropriations Committee

Joint Favorable Report

Yea 33 Nay 18